



**PHA FOUNDATION**  
MINISTRY OF HOUSING & WORKS  
SHAHEED-E- MILLAT, SECRETARIAT, BLUE AREA, ISLAMABAD



No. PHA-F/35<sup>th</sup> BoD Meeting/2019/114

Dated: September 17, 2019

**Subject: MINUTES OF 35<sup>TH</sup> BOD MEETING OF PHA FOUNDATION HELD ON SEPTEMBER 03, 2019 IN CONFERENCE ROOM OF PHA FOUNDATION, ISLAMABAD.**

I am directed to enclose copy of approved Minutes of 35<sup>th</sup> meeting of BoD of PHA Foundation which was held under the chairmanship of Federal Minister for Housing & Works / Chairman, PHA Foundation on September 03, 2019 at 02:00 PM in the Conference Room of PHA Foundation, Islamabad.

Encl: As above

  
(Muhammad Irfan Khan)  
Director (M&C)

**Distribution:**

1. Ch. Tariq Bashir Cheema,  
Federal Minister for Housing & Works/  
Chairman, PHA Foundation,  
Islamabad.
2. Dr. Imran Zeb Khan,  
Secretary Housing & Works,  
M/o Housing & Works,  
Islamabad.
3. Mr. Muhammad Yaseen Shar Baloch,  
Joint Secretary (Admin),  
M/o Housing & Works,  
Islamabad.
4. Mr. Muhammad Shahzad,  
Joint Engineering Advisor,  
M/o Housing & Works,  
Islamabad.
5. Mr. Jibran Khalil Malik,  
Financial Advisor (Works)/  
Joint Secretary, Finance Division,  
Islamabad.
6. Member Engineering,  
CDA, Islamabad.
7. Mr. Shahbaz Mustafa,  
Deputy Secretary (Admin),  
M/o Housing & Works,  
Islamabad.
8. Mr. Waseem Hayat Bajwa,  
Chief Executive Officer,  
FGEHA, Islamabad.
9. Mr. Tariq Rashid,  
Chief Executive Officer,  
PHA Foundation, Islamabad.
10. Mr. Shahid Farzand,  
Director General,  
Pak. PWD, Islamabad.

**Copy for information to:**

- i. PS to Chief Executive Officer, PHA Foundation, Islamabad.
- ii. PA to Chief Engineer, PHA Foundation, Islamabad.
- iii. PA to All Directors, PHA Foundation, Islamabad.
- iv. Section file.

## MINUTES OF 35<sup>TH</sup> BOD MEETING OF PHA FOUNDATION

AGENDA ITEM NO.	SUBJECT
01	Confirmation of Minutes of 34 <sup>th</sup> BoD Meeting of PHA Foundation
02	Formal approval of PC-I of Kuchlak Road Project, Quetta
03	Balloting for allotment of apartments at Kuchlak Road Project, Quetta
04	Allotment of 66 apartments at Kurri Commercial Cum Residential and 16 apartments in 24 block of G-10/2 project, Islamabad
05	Waiver of additional cost of Rs. 1,642,723/- on sympathetic grounds against House No. 99, Lane No. 11 of PHAF Officers Residencia, Kurri Road, Islamabad.
06	Allotment of housing units / apartments to employees of PHA Foundation
07	Review / revisit the decision regarding deduction of 10% on cancellation of apartment / housing unit
08	Appointment of The Engineer for I-16/3 project, Islamabad
09	Purchase of operational vehicles
10	Revision of rates of CP Fund facility to PHA Foundation regular employees
11	Transfer of fund amounting to Rs.150 Million from I-16/3Project Bank Account to I-12 Project Bank Account
12	Opening of three (03) Daily Product Accounts for the funds management of operational activities, membership drive and miscellaneous receipts of PHA Foundation
13	Allotment of apartment to Mr. Waseem ur Rehman Baig at G-11/3, Islamabad
14	Enhancement of Incidental Charges for PHA BoD/ Sub-Committee Members



35<sup>th</sup> Meeting of the Board of Directors of PHA Foundation was held under the Chairmanship of Honourable Federal Minister for Housing & Works/ Chairman, PHA Foundation on September 3, 2019 at 02:00 PM in the Conference Room of PHA Foundation, Islamabad.

2. The meeting started with recitation from the Holy Quran.

**AGENDA ITEM NO. 01**

**CONFIRMATION OF MINUTES OF 34<sup>th</sup> BOD MEETING OF PHA FOUNDATION.**

**Discussion:**

Chief Executive Officer, PHA Foundation informed the forum that the minutes of the 34<sup>th</sup> BoD meeting were circulated among all members of Board of Directors and have been received from Joint Engineering Advisor / Board Member. The BoD deliberated upon the amendments.

**DECISION:**

The BoD confirmed minutes of 34<sup>th</sup> BoD meeting with following amendments:-

Agenda Item No. 10 of 34<sup>th</sup> BoD meeting: The Board agreed with observation of the JEA and approved the deletion of the word "Past practice" and directed that HR committee of PHAF would interview the proposed panel and hire "The Engineer", POR, Kurri Road project, Islamabad.

**AGENDA ITEM NO. 02**

**APPROVAL OF PC-1 FOR DEVELOPMENT OF HOUSING SCHEME AT KUCHLAK ROAD, QUETTA.**

Chief Engineer informed BoD that PHA-F has designed/proposed a housing project for Federal Government, Provincial Government Employees and General Public in light of Quetta Development Authority's Bye Laws on a piece of land measuring 86 Acres at Kuchlak Road Quetta, provided by the Government of Baluchistan. After completion of the project, 1350 families would be accommodated. The Prime Minister of Islamic Republic of Pakistan inaugurated the launching of scheme on April 21, 2019 at Quetta.

2. She further informed that PC-1 for the project titled, "Development of Housing Scheme at Kuchlak Road, Quetta" was prepared and placed before Development Working Party (DWP) of PHA-F in the meeting held on August 26, 2019, in the conference room of M/o Housing and Works. The salient features and abstract cost have been summarized in the table below:-

Sr. No.	Description	Cost (In Millions)
A		
1	Roads	243.732/-
2	Sewerage & Drainage	146.355/-
3	Water Supply	139.242/-



4(i)	Sui Gas	38.861/-
4(ii)	WAPDA	100.000/-
5	Landscaping	106.568/-
6	Additional Items. (Boundary wall, main gate etc.)	344.839/-
B	Building. (CAT I,II,III,IV) Grey structure.	2663.218/-
C	Apartments (2-bed, 3 bed)	2436.49/-
D	Commercial & Public Building. (Shops, Mosque etc.)	579.932/-
F	Consultancy Fee (Design and Supervision)	200.96/-
G	Miscellaneous Cost. (Contingencies, administrative charges, marketing charges etc.)	414.954/-
H	Cost of Land	--
I	Escalation. (@ 6.5% per annum)	530.34/-
<b>TOTAL</b>		<b>7945.494/- M</b>

3. During the meeting held on August 26, 2019, the Development Working Party (DWP) of PHA-F approved the project titled, "Development of Housing Scheme at Kuchlak Road, Quetta", at a cost of Rs. 7,945.494/- Million, with the provision that expenditure on the subject project shall remain within the permissible/allowable limit of 15% of the PC-1 cost.

**DECISION:**

BoD unanimously endorsed the recommendations of Development Working Party (DWP) regarding PC-I of Kuchlak Road Project, Quetta at a cost of Rs. 7,945.494/- Million and also directed that the DWP be re-notified as per the Guidelines of Planning Commission under the Chairmanship of head of the Company i.e. CEO, PHAF. "

**AGENDA ITEM NO. 03**

**BALLOTING FOR ALLOTMENT OF APARTMENTS AT KUCHLAK ROAD PROJECT, QUETTA**

Chief Executive Officer informed the BoD Members that PHA-F launched housing project at Kuchlak Road, Quetta. Membership drive for allotment of housing units and apartments at Kuchlak Road, Quetta was also carried out and PHAF received 7714 applications. In the first phase, balloting was held for allotment of housing units to the registered members of the subject project but balloting of apartments could not be conducted as only 291 (Two Hundred and Ninety One) applicants opted for allotment of apartments against 636 available apartments as per details given below:-

Sr. No.	Membership Category	No. of Applicants
1	Federal and Provincial Government Employees	161
2	General Public	129
3	PHA-F/ Housing & Works Employees	01
	<b>Total Members</b>	<b>291</b>

2. Balloting for allotment of apartments to registered members was to be held as per following categories & price as provided by Engineering Wing:-

V b



S.N.	Category (Ground+2)	Size	No. of units	No. of Blocks	Price(Rs)
1	Appt-2 Bed rooms	1195 SFT	420	35	4,664,920
2	Appt-3 Bed rooms	1460 SFT	216	18	5,710,033

3. Category wise price and quota to be observed were as under:

S. N.	Type			Incurring Unit Cost (Million)	Sale Price (Million)			
	Category (G+2)	Size	No. of units		Gen. Public (30%)	F.G, PG (30%)	Shuhada (5%)	PHA/H& W employees (5%)
1	Appt-2 Bed rooms	1195 SFT	420	4.67	5.37	4.39	4.39	4.11
2	Appt-3 Bed rooms	1460 SFT	216	5.71	6.57	5.37	-	5.03

4. It was stated that, PHA-F received 291 applications for allotment in apartments and no bifurcation was mentioned whether applicants had applied for 2 bedroom or 3 bedroom apartments because at the time of membership drive there was no such information that there were two kinds of apartments available.

5. Moreover, the BoD of PHA-F approved the reservation of quota for families of Shuhada of Hazara Community in 2 bed apartment. PHA-F wrote to Chief Secretary, Government of Balochistan for provision of details of families of Shuhada for allotment of housing units reserved in the balloting. Reply from Government of Balochistan was awaited.

6. It was informed that a number of applicants who applied for allotment of housing unit in Kuchlak Project but remained unsuccessful had submitted requests to consider their membership for allotment of apartments in the same project.

### Proposals

7. In the view of above following proposals were submitted for consideration:-

- As no bifurcation of category of apartment was available in membership form therefore type of apartment may be allotted through random balloting.
- The unsuccessful members of housing units, including those in the waiting list, may be made eligible (subject to written consent) for the allotment of apartment in the same project.
- Number of apartments in Shuahda quota may be kept reserved until the information was received from Government of Baluchistan.

### DECISION:

The BoD unanimously approved proposals at Sr. No. a to c and directed that allotment be made through random balloting among all the categories.



ALLOTMENT OF 66 RESIDENTIAL APARTMENTS IN BLOCKS-A&B, PHA-F OFFICERS RESIDENCIA, ISLAMABAD AND 16 EXECUTIVE APARTMENTS AT BLOCK-24, G-10/2, ISLAMABAD

Director (Estate) informed that in 34<sup>th</sup> BoD meeting of PHA-F held on June 26, 2019 the Board gave following decision:-

**“After detailed discussion it was decided that Evaluation Reports of M/s WW Engineering Services (Pvt) Ltd were approved. Further it was decided that the shops shall be auctioned and the apartments shall be allotted to the members of PHAF as per laid down policies and procedures on the rates determined by the Evaluators.”**

2. He further informed that in the above referred decision, the BoD approved to allot the apartments to the members but didn't give specific decision as to which members were to be considered for allotment. It was informed that PHAF had following type of registered members:-

- |   |                 |
|---|-----------------|
| a) Registered FG (BS 1-22) and GP members                 | 12000 (approx.) |
| b) Registered members for Executive apartments (BS 20-22) | 1557            |

3. Director (Estate) elaborated that PHA Foundation Board approved a project for the officers of BPS 20-22 in its 24<sup>th</sup> meeting held on 13-02-2017. The project was planned to be constructed in the vacant spaces of existing PHAF's projects in G-10/2, G-11/4 and Kurri Residencia. The project had 512 apartments including 212 in Kurri Residencia Project. Membership for the project was launched in 2017 and around 1557 officers of BPS 20-22 applied for the scheme but due to reasons such as litigation and delay in approval of Layout Plan from CDA, the project could not be started.

4. He further elaborated that the matter was placed before the 32<sup>nd</sup> BoD wherein the Board decided as follows:-

- All allottees be informed regarding the issues of the project through a detailed letter. They may be offered refund of their upfront payment.
- The members who don't take the refund, their money to be kept as trust with PHA-F and they will be considered under the rules and policy.

5. Accordingly, the Estate Wing offered refund to the members and till date 225 members had taken the refund of their upfront payment. It was further apprised that in executive apartments' project (G-10/2, G-11/4, Kurri Residencia), covered area of the apartments was 1400sft while the covered areas of 66 apartments available in Kurri Project Blocks-A&B are 1175 sft, 1087 sft, 1056 sft, 1054 sft, 994sft and 992 sft.

6. The other apartments available for allotment were 16 executive apartments in Block-24, G-10/2 project whose covered area was 1400 sft.

7. It was also informed that registered members referred had members from both General Public and Federal Government Employees. In recent past, all these members had been offered allotments in I-12/1 and I-16/3 projects as per their eligibility but very less number took interest in these projects. Moreover, officers of BPS 20-22 were not eligible in I-12/1 project as the same was envisaged for BPS 1-16 so the registered members from



Grade 20-22 have not been accommodated as compared to others. Moreover, the registered members for executive apartments deposited an upfront payment of Rs.100, 000/- and waited for around 2 years for allotment.

### PROPOSALS:

8. In view of the facts mentioned above, 66 apartments of Blocks-A&B at PHAF Officers Residencia, Kurri Road Project and 16 apartments in G-10/2 project were proposed to be allotted to the following members:

- i. Registered members of executive apartments including the members who had taken refund of their upfront payment on the direction of PHAF.
- ii. Those members from Grade 20-22 who were members of PHAF but they didn't apply for executive apartments.
- iii. The officers of BPS 20-22 of waiting list of PHAF Officers Residencia, Kurri road project who were registered members of PHAF.
- iv. Combined 5% quota for Ministry of Housing & Works and PHAF may be reserved. If there was no eligible officer then after balloting same may be offered to officers in waiting list.
- v. Already members belonging to Ministry of Housing & Works and PHAF who have not availed his/her right of allotment of unit as Government Servant yet will be counted towards above mentioned 5% quota only.

9. Following procedure for allotment to above mentioned members was proposed:-

- i. Written consent from all the registered members of grade 20-22 may be obtained online.
- ii. The member should clearly mention in his/her consent form the category/covered area of apartments and project name in which he/she is interested.
- iii. An advertisement in the newspaper in this regard be published to inform the members to give their consent on website of PHA-F.
- iv. The price of the apartment along with covered area and other classified information be made part of advertisement.
- v. Maximum time of 15 days may be given for submission of online consent.
- vi. If PHA-F receives consents more than the available number of apartments in any of the categories then the allotment may be made through balloting software. Otherwise, direct allotment may be made as per received consents.
- vii. A separate balloting may be conducted for each category.
- viii. 5% quota for the eligible officers of M/o H&W and PHA-F may be observed in each category.



## DECISION:

After detailed discussion, the BoD approved the proposals mentioned at Para No. 8 & 9 above with the following directions:

- i. The allotment shall be made through open balloting after taking consent from the registered members (BS 20-22).
- ii. To reserve 5 % quota for the eligible officers of PHAF, Ministry of Housing & Works and its attached departments/ sub-ordinate organizations in POR Kurri commercial cum residential block A&B and G-10/2 project. In case no eligible officer of BS 20 to 22 is available, the reserved apartments will be offered to the officers in waiting list of point (i) above.

## AGENDA ITEM NO. 05

### WAIVER OF ADDITIONAL COST OF RS. 1,642,723/- ON SYMPATHETIC GROUND AGAINST HOUSE NO. 99, LANE NO.11, CAT-I, PHAF OFFICERS RESIDENCIA, KURRI ISLAMABAD

It was apprised that the BoD of PHAF in its 33<sup>rd</sup> BoD meeting held on April 16, 2019 accorded approval to impose additional cost on all units of PHA-F Officers Residencia Project, Islamabad as under:-

Sr. No.	Category	Original Per House/Unit Price	Total Additional Cost
1	(50x90) - I	10,294,692	1,642,723/-
2	(40x80) - II	8,262,848	1,007,939/-
3	(30x60) - III	4,720,972	443,451/-

2. Mrs. Rozeena Hussain allottee of House No. 99, Lane No. 11, Category-I, PHAF Officers Residencia Project Islamabad submitted an application for waiver of the additional cost imposed on her house. In her application, she stated that she was a widow of Mr. Muhammad Zubair Yousfani BS-20 officer of Pakistan Custom Service, who died in June, 2018 during service. That she had been informed by PHAF to deposit an amount of Rs. 1642,723/- on account of additional cost. She further stated that after the death of her husband, she had to look after her three daughters being single parent with meager resources. Therefore, she had requested for waiver of additional cost of Rs. 1,642,723/- through an adjustment from fund of DPC as a special case on humanitarian ground. Furthermore, she requested for permission to carry out the finishing work.

3. The matter of waiver of Additional Cost was placed before the 34<sup>th</sup> meeting for consideration. The Board decided ***“the matter was deferred with the directions that the allottee be helped out within the rules. It would be placed before next BoD meeting for decision”***. In order to comply with the directions of the BoD the matter was referred to a committee comprising of officer from Estate, Finance & Engineering (Wing) to deliberate over the matter and propose recommendations.



4. After thorough discussion, the committee agreed that the additional cost was calculated after considering all financial aspects of the project, therefore, any waiver at this point was not recommended. The committee recommended following: -

- a) She may be allowed to deposit additional cost in 12 installments instead of four installments.
- b) She may be handed over possession subject to provision of one pay order of initial installment & postdated cheques of remaining amount.

**DISCUSSION:**

The Chairman and Dy. Chairman BoD observed that the cases of such nature be considered on humanitarian grounds and families of the deceased government employees who die during service be given relief. The BoD further observed that instant proposal of PHAF was not viable in the absence of policy for the families of deceased government employees.

**DECISION:**

After thorough discussion it was decided that PHAF shall formulate comprehensive policy for the families of deceased government employees who die during service and place it in the next BoD meeting. The instant applicant shall be entertained accordingly.

**AGENDA ITEM NO. 06**

**ALLOTMENT OF HOUSING UNITS / APARTMENTS TO EMPLOYEES OF PHA FOUNDATION**

The BoD was informed that the matter regarding allotment of housing units / apartments to employees of PHA Foundation was placed before BoD in its 34<sup>th</sup> meeting under Table Agenda 3 held on 26<sup>th</sup> June, 2019 in conference room of PHA Foundation. The decision of BoD was as under:

**“The BoD decided that a detailed agenda on provision of housing units to the employees of PHAF (regular and deputationist) on actual cost basis be prepared and presented before the BoD for approval.”**

2. The Board further elaborated that in line with 21<sup>st</sup> Authority meeting held on February 17, 2010, the officers of PHAF (BS-17 and above including contract employees and deputationists having one year service in PHAF) were allotted the cancelled apartments at G-10/2, G-11/3 and I-11 on actual cost basis. The policy had been in vogue till to date but kept dormant since then and no housing unit/apartment allotted to any employee of PHA-F. It was further elaborated that allotment of one housing unit/apartment was the right of every Federal Government/PHAF Employee and entitled to get one housing unit/apartment once in service from PHA Foundation. It was mentioned that PHA had already allotted flats to contractual/daily wagers and deputationist employees almost 7 to 8 years ago in various projects. However, since last seven years no flat/apartment had been allotted to PHA-F Employees.



3. It was proposed that in line with decision of BoD, Employees of PHA Foundation (regular and deputationist) may be offered cancelled and available apartments in various projects of PHAF as per previous practice and already approved policy by observing the following criteria/terms & conditions:

- i. Only those PHAF officers/officials (deputationist) will be eligible for allotment of housing units/apartments who had ten years regular service at his/her credit and completed at least one year continuous service in PHA-F.
- ii. Only those regular officers/officials of PHA Foundation would be eligible for allotment of housing units/apartments who had completed at least seven (07) year service in PHA Foundation.
- iii. Cancelled apartments at G-11/3, Islamabad and Shabbir Town/Wafaqi Colony Lahore shall be offered to the officers through computerized balloting, whereas available apartments/housing units at proposed Kurri Road (C-Block) shall be offered to the remaining officers.
- iv. Cancelled apartments at I-11/1, Islamabad shall be offered to the officials through computerized balloting, whereas available apartments at I-12 shall be offered to the remaining officials as per their entitlement.
- v. Apartments/housing units shall be offered to only those officers/officials who had not been allotted any apartment/flat in capacity of PHA-F employees previously.
- vi. The apartments shall be offered to PHA-F Employees on actual cost basis as per prescribed rules mentioned above.
- vii. The mortgage option through HBFC may be kept for PHA-F employees so that in case of delay in payment the work could not be delayed.

#### **DISCUSSION:**

The CEO PHAF apprised the Board that the matter regarding allotment of housing units/apartments to employees of PHAF was discussed in 34<sup>th</sup> Board meeting as table agenda items no. 3 on the proposal of DG Pak PWD wherein the BoD decided that detailed agenda item may be presented in the next BoD meeting. He further informed that in line with 21<sup>st</sup> Authority meeting held on February 17, 2010, the officers of PHAF (BS-17 and above including contract employees and deputationists having one year service in PHAF) were allotted cancelled apartments at G-10/2, G-11/3 and I-11 on actual cost basis. The policy was in vogue till to date but kept dormant since then as all other officers/officials were allotted apartments except those recruited in 2012.

He further informed the BoD that, the allotments were not made to newly recruited employees as NAB had initiated an inquiry against the appointments of around 194 employees recruited in 2012. The NAB after investigation of around 4 years highlighted certain discrepancies in case of some officers/officials and forwarded the case to the Ministry.

The Chairman PHAF Board apprised that he was aware of the matter that NAB had inquired / investigated recruitment of almost 194 employees and pointed out some discrepancies. The NAB had filed a reference against the then management in the accountability court. The matter was again probed by a high powered committee wherein the committee after detailed scrutiny of the record cleared more than 180 employees. He further added that the current government was constructing 5 million houses and it seemed unjustified to deprive the officers/officials of the PHA-Foundation from their right to obtain a house/apartment for their shelter on payment basis unless their conviction from the court of law.





The Dy. Chairman BoD further added that all these employees fulfilled the requisite qualification and were getting all perks & privileges and serving the organization since last 7 years. He further apprised that they could not be deprived of their due rights in the absence of any court orders as they would be offered apartments on payment.

The BoD endorsed the views of Chairman and Dy. Chairman.

### **DECISION:**

**After thread-bare point wise discussion the BoD approved the following policy:**

- i. Only those PHAF officers/officials (deputationist) would be eligible for allotment of housing units/apartments who had ten years regular service at his/her credit and completed at least one year continuous service in PHA-F.
- ii. Only those regular officers/officials of PHA Foundation would be eligible for allotment of housing units/apartments who had completed at least seven (07) year service in PHA Foundation.
- iii. The management shall decide about the allotment of cancelled apartments at G-11/3 and I-11/1 Islamabad and Shabbir Town / Wafaqi Colony Lahore.
- iv. The officials shall be offered apartments in existing I-12 project and officers at proposed new blocks in I-12 ,POR Kurri Road, G-10 and upcoming projects.
- v. Apartments/housing units shall be offered to only those officers/officials of PHAF who have not been allotted any apartment/flat in capacity of PHA-F employees previously.
- vi. The apartments shall be offered to PHA-F Employees on actual construction cost basis as per previous practice.
- vii. The mortgage option through HBFC may be kept for PHA-F employees so that in case of delay in payment the work could not be delayed.

### **AGENDA ITEM NO. 07**

### **REVIEWING THE DECISION REGARDING DEDUCTION OF 10% CANCELLATION CHARGES ON DUE AMOUNT**

Chief Executive Officer informed BoD that PHA Foundation had started two projects in Islamabad, one at I-12/1 and the other at I-16/3 in 2015 for Federal Government Employees and General Public on ownership basis. As per terms and conditions of application form / allotment communicated to the allottees at the time of allotment, the cancellation charges were approved to be deducted @10% on deposited amount. The relevant clause 4.g read as *"In case of cancellation due to non-payment of installments the deposited amount shall be refunded after deduction of 10% deposited and amount will only be refunded when the cancelled apartment is auctioned in open market."*

2. Subsequently, the PHA-F BoD in its 26<sup>th</sup> meeting, to discourage refund cases, resolved to refund amount with the deduction of 10% as cancellation charges on the due amount. The decision of 26<sup>th</sup> BoD had serious financial implications for the genuine allottees applying for refund of their deposited amount as in most of the refund cases quite a significant amount deposited by the allottees were deducted on account of cancellation charges.



3. He further informed that the project construction was underway and resultantly the quantum of booking of apartments had increased and very few cases were pending for refund. The issues pending with CDA were vigorously pursued and would be resolved soon.

4. Some allottees of I-12/1 projects with genuine reasons applied for the refund due to their personal financial constraints and requested for 10% deduction on deposited amount with reference to clause 4.7g which was communicated to them at the time of their allotments.

#### **Proposals:**

5. The following proposals regarding cancellation charges in I-12/1 project are submitted for consideration:

- a) 10% of the due amount will be deducted in case any allottee raised only down payment, deposited three installments but defaulted on rest of the installments.
- b) 5% of the due amount will be deducted in all refund / cancellation other than point (a).

#### **DECISION:**

After detailed deliberations, the BoD directed to formulate comprehensive policy which should be placed before the BoD after its vetting by Finance & Accounts Committee of PHAF.

#### **AGENDA ITEM NO. 08**

#### **APPOINTMENT OF "THE ENGINEER" AGAINST I-16 PROJECT OF PHA-F**

The Board was apprised that I-16 project of PHA-F was started on 28-12-2015 to construct 672 B-Type & 912 E-Type apartments with completion period of 36 months up to 03-04-2019. However, the project had not been completed on due date and still 35% of schedule work is remaining. The project was now tentatively scheduled to be completed by June, 2020. This delay was because of the poor performance of the consultant. Mr. S.M.A Shirazi who was performing the role of "The Engineer" and was also Chairman/Owner of the Consultancy Firm (M/s SAMPK). His role remained partial which was against the interest of the project.

2. Keeping in view the above facts and present status of the project, an experienced professional was required to be appointed as "The Engineer" against the said project as per previous practice for boosting up the progress of the work in the best interest of public. In this regard, rule.18 of PHA-F Employees (Service) Regulations 2017, regarding contractual appointment was shown as under:-

#### **Contractual Appointment**

- a. Where under special circumstances, it is not possible to appoint a person, in the prescribed manner, the Foundation may employ any person on contract, for carrying out a specialized assignment or a specific job within a specified time and at a suitable remuneration as approved by the Appointing Authority concerned.



- b. Where under special circumstances due to exigency of tasks required to be performed by the professionals to assist the Company in performing its functions and where the appointment of a person, under the prescribed manner is considered to delay the availability of a required professional, the Company may employ through contract a consultant or advisor, for carrying out a specific assignment or a job requiring specialized expertise within a specified time. Such appointment may be made at suitable remuneration as approved by the Board on case to case basis, after due assessment of the prevailing market rates for the acquisition of similar services.

3. Previously, the Board of Directors in its 28<sup>th</sup> meeting held on 27-02-2018 granted approval of appointment of Syed Qaiser Abbas as "The Engineer" in the Kurri Road Project of PHA-F which improved implementation of the project. On the same lines, "The Engineer" at I-16/3 needed to be replaced for better service delivery. In this regard, CV's of following individuals were considered for the position:-

1. Mr. Nazir Ahmad.
2. Mr. Zafar Ali Khan
3. Mr. Sohail Akhtar

4. The scrutiny of the resumes revealed that Mr. Nazir Ahmad had vast experience of more than 35 years in planning, designing & execution of construction projects. The officer held various positions during his service including Chief Engineer, Pak PWD, Joint Engineering Advisor, Ministry of Housing and Works and Director (Technical), FGEHF. The officer also served in PHA-F as Director (Engineering). He had special expertise in contract / project management in housing sector and was NMC qualified with an impeccable service record.

5. Keeping in view his vast experience and expertise in relevant field, it was proposed that PHAF may hire the services Mr. Nazir Ahmad, as "The Engineer" for I-16 Project in the best interest of the organization and for smooth completion of the project as per following terms and conditions:-

DESIGNATION	TERMS AND CONDITIONS
The Engineer I-16 Project	To be appointed against consultancy / miscellaneous head of project for a period of six (06) months at lump sum pay of Rs. 150,000/- per month with first three (03) months on probation.

**DECISION:**

After detailed discussion, Board principally agreed with the proposal of PHA and directed that "The Engineer" for I-16/3 project be hired subject to the final recommendation of the HR Committee of PHAF after interviewing the panel. The BoD further directed to include a technical member as a co-opted member in the HR Committee.





**PURCHASE OF OPERATIONAL VEHICLES**

Director (Administration) informed that PHA Foundation was a self-revenue generating organization registered with SECP under section 42 of the Companies Ordinance 1984 and did not receive any development/ operational budget from Government of Pakistan. PHA Foundation was continuously striving to eradicate the shelterlessness throughout the country in line with the vision of Prime Minister of Pakistan.

2. In order to translate the vision of the Prime Minister of Pakistan into reality, PHA Foundation recently launched/planned various projects i.e. Kuchlak Road Quetta, Fisherman Residencia Gwadar in Balochistan and Soorezai Project (JV with KPK Government) at Peshawar, coupled with aggressive identification of Land in various regions of country. Moreover, construction work of ongoing projects (PHAF Officer's Residencia Kurri Road, I-16/3, I-12/1 and G-10/2, Islamabad) was in full swing.

3. It was informed that the field visits including coordination work with other departments, international organizations and inter provincial movements of PHAF officers had increased immensely. It was further informed that PHAF had 22 operational vehicles out of which 09 had already been auctioned in 2017 and the remaining vehicles had also completed their prescribed mileage (more than 09 years). Moreover, the process for auction of these vehicles had already been initiated as per prescribed rules.

4. Keeping in view the position explained and work load as per organizational requirements, PHAF proposed procurement of the following operational vehicles for smooth running of the official business:-

Sr. No.	Specification	Number of Vehicle required
01	1800 cc	01
02	1300 cc	02
03	1000 cc	03

**DISCUSSION:**

The matter was discussed by the BoD. The Board inquired about the implication of recent guidelines / instructions of Finance Division regarding purchase of vehicles wherein the representative of the Finance Division informed that PHA Foundation was a self-revenue generating company and did not receive any budgetary allocation from the Finance Division. The Board was apprised that due to increased operational duties and inter provincial movements, it would be appropriate that 1800 cc car may be replaced by double cabin vehicle.

**DECISION:**

Keeping in view the operational requirement of PHAF, the BoD approved the procurement of following operational vehicles for smooth running of official business:-

Sr. No.	Specification	Number of Vehicle required
01	Double Cabin (Pick up)	01
02	1300 cc	02
03	1000 cc	03



REVISION OF RATES OF CP FUND TO PHA FOUNDATION REGULAR EMPLOYEES

It was apprised that currently PHA Foundation Employees were availing only CP Fund facility against staff retirement benefits and the said facility was provided to the employees on fixed rate as per PHA-F Regulations for Contributory Provident Fund, 2017. Whereas, benefits such as Gratuity / Pension, Car Advance, Bike Advance, and House Building Advance etc. was not provided to PHA-F Employees. As rates of CP Fund for employees of PHA-F approved by the BoD were fixed and very nominal as compared to other Government Departments / Semi Government Organizations like NESPAK, Government of KPK, and Finance Department etc. which provided CP Fund @ 10% of the basic pay to their employees, it was therefore, proposed to revise / enhance the rates of the CP Fund at the rate of 10% of the running basic pay. The additional monthly financial impact after revision of rates @ 10% of basic pay was Rs. 320, 101/-. It was mentioned that the financial impact @10% increase had already been approved by BoD in Annual Budget for the Fiscal Year 2019-20.

2. The matter regarding revision of rates of CP Fund facility to regular employees of PHA Foundation was placed before the Finance & Accounts Committee of PHAF in its meeting held on August 28, 2019 in the conference room of PHA Foundation. The recommendations of the Finance & Accounts Committee of PHAF were presented, which were as under:-

**"After detailed deliberations, the Finance and Accounts Committee of PHA-F considered the proposal and recommended that rates of CP Fund may be enhanced / revised @ 8 ¼ % of the running basic pay in line with above mentioned guidelines of Finance Division whereas equal contributions made by the PHA Foundation in relation to each regular employee as already approved in PHA Foundation Contributory Fund Regulations, 2017. The Committee further recommended that the matter may be placed before the forthcoming BoD meeting for formal approval"**

Discussion:

The Financial advisor of M/o H&W briefed the BoD that the matter was examined in depth during meeting of Finance & Account committee of PHAF and recommendations were being made as per guidelines of Finance division.

DECISION:

After detailed discussion the Board unanimously approved the above mentioned recommendations of Finance & Accounts Committee of PHAF to enhance CP Fund rates @ 8 ¼ % of running basic pay provided that the employees will not claim gratuity.





**TRANSFER OF FUND AMOUNTING TO RS.150 MILLION FROM I-16/3 PROJECT BANK ACCOUNT TO I-12 PROJECT BANK ACCOUNT**

The BoD was informed that in pursuance of decision of 25<sup>th</sup> BOD meeting held on April 11, 2017 as additional Agenda Item No. 01 regarding transfer of funds from one project bank account to another project bank account of PHA-F projects on case to case basis when required, on recoupment basis with recommendation of Finance and Accounts committee along with approval of BoD of PHA-F. A case of transfer of fund from I-16 project bank account to I-12 project bank account was processed by Finance Wing with the approval of CEO PHAF, on the proposal of Engineering Wing of PHA-F.

2. A meeting of Finance & Accounts Committee of PHA-F was held on 28-08-2019 in the Committee Room of PHA-F under chairmanship of Financial Advisor, Ministry of Housing & Works for consideration of the subject agenda item. The committee was informed that as per current status of apartment booking, 1720 apartments out of 3200 apartments had been allotted and remaining booking of the apartments was in process. The construction work of the project on all packages was in full swing. Currently, an amount of Rs.150 million of the bills of different contractors and consultant of I-12 project were pending including anticipated bills with Engineering Wing for payment due to insufficient fund. The Finance & Accounts Committee after detailed deliberations recommended transfer of Rs.150 Million from I-16 project bank account to I-12 project bank account as short term loan on recoupment basis during current financial year subject to formal approval of BoD of PHA-F.

**Discussion:**

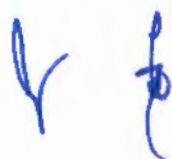
The Financial Advisor of M/o H&W briefed the BoD that the matter was examined in depth during meeting of Finance & Account committee of PHAF with specific consideration of availability of funds in I-16 project account and requirement in I-12 Project account. The committee observed that sufficient funds were available in I-16 project account and bridge financing would not affect the progress of this project.

**DECISION:**

The BoD approved the recommendations of Finance & Accounts Committee of PHAF that amount of Rs. 150 million be transferred from I-16 project account to I-12 project bank account on recoupment basis during current Financial Year as short term loan.

**OPENING OF THREE (03) DAILY PRODUCT ACCOUNTS FOR THE FUNDS MANAGEMENT OF OPERATIONAL ACTIVITIES, MEMBERSHIP DRIVE AND MISCELLANEOUS RECEIPTS OF PHA FOUNDATION**

Director (Finance) informed BoD that in 34<sup>th</sup> BoD meeting, the matter regarding profit/markup rate of all bank accounts as per revised Monetary Policy announced by State Bank of Pakistan was discussed and the BoD had directed to obtain the optimum rate of interest/markup through open advertisement in line with Finance Division guidelines 2003 from the banks for opening of all bank accounts of PHA-F including project accounts.





2. It was apprised that, in order to adherence of sub clause (iv) of Finance Division guidelines, 2003 (diversification of funds), the management decided to obtain markup rate on all bank accounts into two stages. Keeping in view, quotations / bids for seeking fresh optimal interest/markup rates of main account, membership drive account and other income account were obtained in first stage, however 2<sup>nd</sup> stage regarding to obtain fresh interest/markup rates of remaining bank accounts projects were under process, once finalized would be shared with the BoD.

3. In compliance with 34<sup>th</sup> BoD decision, sealed quotations were called from scheduled banks through advertisement published in national dailies on July 29, 2019, which were opened by Finance & Accounts Committee in the presence of bank representatives at 11: AM on August 20, 2019 in line with general policy guidelines of Finance Division for depositing /maintaining working balances of public sector enterprises and local autonomous bodies 2003, as amended time to time.

4. In the first stage eight (08) banks were offered and quoted different markup rates.

S.No	Bank Name	Profit Rate Quoted	Minimum Amount for Opening Account	Bank Rating as per the State Bank's Website	Remarks
1	Silk Bank Razia Sharif plaza branch Islamabad	13.00%	No Limit	S/T=A-2 L/T=A-	Un-Conditional
2	Standard Chartered Bank	12.20%	500 Million & Above	S/T=A-1+ L/T=AAA	Non-Compliant because:- i. Profit rate is offered is lower.
3	Bank of Punjab	12.25%	600 Million & Above	S/T=A-1+ L/T=AA	Non-Compliant because:- i. Profit rate is offered is lower.
4.	National Bank of Pakistan	11.80%	500 Million & Above	S/T=A-1+ L/T=AAA	Non-Compliant because:- i. Profit rate is offered is lower.
5.	Habib Metropolitan Bank	12.50%	500 Million & Above	S/T=A-1+ L/T=AA+	Non-Compliant because:- i. Profit rate is offered is lower.
6.	JS Bank	12.00%	10 Million & Above	S/T=A-1+ L/T=AA-	Non-Compliant because:- ii. Profit rate is offered is lower
7.	Sindh Bank	13.00%	i. 100M to 300M rate offered 13.00% ii. 300M to 500M rate 13.25% iii. 500 M & above 13.50%	S/T=A-1 L/T=A+	Non-Compliant because:- i. Conditional ii. Condition of Minimum amount for opening of bank accounts wise can't be met.
8.	Silk Bank E-11 Branch Islamabad	12.70%	Over all	S/T=A-2 L/T=A-	Non-Compliant because:- i. Profit rate is offered is lower.



5. The salient features of rates quoted by banks mentioned in above table were discussed in detail and elaborated below (for first 3 banks):-

- I. Silk Bank had offered the highest markup rate 13.00% per annum with no condition / Limit for placement of funds and having short term A-2 and long term A- credit rating.
- II. Sindh Bank had offered the rate 13.00% with the condition/limit of deposit Rs.100 Million & above account wise .The current available balance of bank accounts of other income was less than Rs.100 Million. The Sindh bank did not meet the advertised criteria of PHA-Foundation.
- III. Silk Bank E-11 Markaz Corporate Branch had offered the markup rate 12.70% per annum un-conditional and having short term A-2 and long term A- credit rating.

6. Finance & Accounts Committee reviewed the quoted rates and recommended that PHA-F may open three daily product accounts for (i) operational activities, (ii) membership drive account ,(iii) miscellaneous receipts (other income) with the Silk Bank Blue Area Islamabad being the highest bidder (unconditional). The committee also recommended that an agreement with the bank may be concluded with provision that any upward movement in the interest rate will cause the offered rates for the PHA-F by the Bank to automatically adjust upward. As regards downwards moment the same will initially be brought into the knowledge of PHAF management for further directions in this regard.

#### Discussion

The BoD inquired about the recommendations of Silk Bank with A- and A-2 ratings. The Financial Advisor of M/o H&W informed the Board that it fulfills the minimum requirements of a daily product account and offered highest interest rates which will not be varied to disadvantage of PHAF without prior approval of PHAF however upward adjustments will be automatic. The BoD was further informed that said bank was offering highest interest rates with no condition of balance limit and selection of low rate quoted bank would invite audit observations

#### DECISION:

The matter was discussed at length and BoD approved opening of three bank accounts as per recommendations of Finance & Accounts Committee of PHA Foundation.

#### AGENDA ITEM NO. 13

#### ALLOTMENT OF APARTMENT TO MR. WASEEM UR REHMAN BAIG AT G-11/3 ISLAMABAD

Director (Estate) informed that Mr. Waseem Ur Rehman Baig applied for allotment of "C Type" apartment at G-11/3 Islamabad. He stood successful in the balloting and was allotted a "C" type apartment No. GF 03 Block No 04, G-11/3 Islamabad. After the allotment of apartment, installment payment schedule was issued to him containing the installment payment schedule vide letter dated February 24, 2009.

2. Mr. Waseem Ur Rehman Baig did not adhere to the installment payment schedule. Therefore as per procedure, cancellation / show cause notices were issued to him and his



name was published in the newspaper as a defaulter. Details of the cancellation / show cause notices issued to Mr. Waseem Ur Rehman Baig were shown as under:-

S.N.	Letter / Notice Number	Subject	Dated
01	PHA/ISL/ASC/51/G-11/3-11/-8979	Cancellation / show cause notice	August 19, 2011
02	PHA/ISL/ASC/51/G-11/3-11/-4059		September 19, 2011
03	Advertisement in Daily Dawn & Nawa-e-Waqt	Notice of Demand / Last Opportunity	October 18, 2011
04	PHA/ISL/ASC/51/G-11/3/-11/-10531	Cancellation of apartment	October 25, 2011
05	Advertisement in Daily Dawn & Nawa-e-Waqt	Notice of Demand / Last Opportunity	November 23, 2011
06	PHA/ISL/ASC/51/G-11/3C-11/-11848	Cancellation of Apartment	December 23, 2011

3. It was informed that as the allottee failed to deposit the outstanding amount within the stipulated time despite being given several opportunities vide above referred cancellation / showcase notices, PHA eventually cancelled the allotment of Mr. Waseem ur Rehman Baig by invoking clause 7.3 of the terms and conditions of allotment.

4. It was further informed that the last date to deposit the outstanding installments was December 13, 2011, as published in the newspaper, Mr. Waseem ur Rehman Baig failed to deposit the outstanding amount within due date. However he forwarded the demand Drafts after the cancellation of his apartment. Detail of demand drafts received after final cancellation were as under:-

S. No	DD No.	Date	Amount
1	1873594	26/06/2012	300,000/-
2	1873715	26/07/2012	250,000/-
3	1872708	03/01/2012	325,000/-
4	1873666	16/07/2012	200,000/-
5	1873047	12/03/2012	200,000/-

5. All demand drafts forwarded after the due date were sent back to Mr. Waseem ur Rehman Baig with the request to approach for refund of the deposited amount as per terms and conditions but instead of this the applicant asked for possession of the apartment, which was not possible as per rules and policy. Mr. Waseem Ur Rehman Baig contended that it was injustice that his allotment was cancelled for non-payment of Rs.1,365,330/-

6. It was informed that after the cancellation of the said apartment, as per policy it was allotted to Mr. Faisal Saeed Cheema who was working in PHA as Director Finance.

7. It was decided in a subsequent PHA F's BoD meeting that due to non-availability of cancelled flat of Mr. Waseem ur Rehman Baig in G-11/3 Islamabad he may be allotted an apartment in I-16/3 and shift the deposited amount of Mr. Waseem ur Rehman Baig with 2.5% rebate on total cost. A 'B' type apartment on second floor (apartment No 11, Block No 24 I-16/3) was offered to the applicant. However, Mr. Waseem Ur Rehman Baig declined the offer and forwarded a legal notice as well.



8. The ex allottee Mr. Waseem ur Rehman Baig now again requested for allotment of apartment in G-11/3 in lieu of his cancelled C type apartment. The detail of available apartments in G-11/3 and their prices are as follows:-

S. N.	Block No	Apt No	Floor	Price suggested by NESPAK
01	01	01	Ground Floor	Rs. 10,450,000
02	03	06	First Floor	Rs. 9,350,000
03	09	09	Second Floor	Rs. 8,250,000

**Proposals:**

9. The request of Mr. Waseem ur Rehman Baig may be accepted and we may offer any of three apartments without discount in G-11/3 'C' type reserved for auction as per price suggested by Nespak, and ex allottee shall deposit differential amount within three month.

OR

10. His request may be regretted because PHA F already offered B type apartment in I-16/3, project and he may be informed accordingly to take his previously submitted un-deposited Demand Drafts (after cancellation) and apply for refund.

**Discussion**

The CEO PHA-Foundation informed the BoD that Mr. Waseem Ur Rehman had forwarded an application to allot him an alternate apartment in the same project on the price determined by the NESPAK. He further informed that the price of available apartments in the G-11/3 project was evaluated by the NESPAK in 2017 on the directions of BoD which was reserved for auction. The reserve price of the apartment was Rs. 10,450,000.

The Dy. Chairman inquired if the previously cancelled apartment of the applicant could be restored. In this regard it was informed that the cancelled apartment of the applicant had already been allotted to other applicant in 2012. However, another apartment in the same project of the same category and in same floor was available.

**DECISION:**

After detailed deliberation, the BoD decided to allot C-Type apartment to Mr. Waseem Ur Rehman in G-11/3 project by converting /considering the request under the restoration policy instead of fresh /alternate allotment of apartment on humanitarian grounds and shall not be treated as precedent.



**ENHANCEMENT OF INCIDENTAL CHARGES FOR PHAF BOD/ SUB-COMMITTEE MEMBERS**

It was apprised that BoD in its 28<sup>th</sup> meeting held on March 12, 2018 had approved the incidental charges for the members of BoD and Sub-Committee as per following details:

S.N.	Eligible Person	Incidental Charges
01	Member of PHA Foundation Board	Rs. 25,000/-
02	Member of Sub-Committees of PHAF alongwith co-opted member	Rs. 15, 000/-

2. In this regard, it was stated that recently various organizations has revised the pocket expenses / remuneration of members of their respective boards/ governing bodies like PHAF's sister organization FGEHA. In this regard, PHA Foundation also proposed enhancement of incidental charges of members of BoD/ Sub-Committees as per subsequent details:

S.N.	Eligible Person	Existing Incidental Charges	Proposed Incidental Charges
01	Member of PHA Foundation Board	Rs. 25,000/-	Rs. 50,000/-
02	Member of Sub-Committees of PHAF BoD alongwith co-opted member	Rs. 15, 000/-	Rs. 25,000/-

**PROPOSED DECISION:**

3. The matter regarding enhancement of incidental charges for BoD members from Rs. 25,000/- to Rs. 50,000/- and Sub-Committees including co-opted member from Rs. 15,000/- to Rs. 25,000/- was placed before the BoD for perusal and approval, please.

**DECISION:**

After detailed discussion the BoD approved the enhancement of incidental charges for BoD members from Rs. 25,000/- to Rs. 50,000/- and Sub-Committees including co-opted member from Rs. 15,000/- to Rs. 25,000/-

The meeting ended with a vote of thanks to and from the chair.





# 35<sup>TH</sup> BOD MEETING OF PHA FOUNDATION

SEPTEMBER 3, 2019

## ATTENDANCE SHEET

S. No.	Name	Designation	Signature
1	Mr. Tariq Bashir Cheema, Federal Minister for Housing & Works/ Chairman, PHA Foundation, Islamabad	Chairman	 03/09/19
2	Dr. Imran Zeb Khan, Secretary, M/o Housing & Works, Islamabad	Dy. Chairman	 03/09/19
3	Mr. Muhammad Yaseen Shar Baloch, Joint Secretary (Admin), M/o Housing & Works, Islamabad	Member	
4	Mr. Muhammad Shahzad, Joint Engineering Advisor, M/o Housing & Works, Islamabad	Member	
5	Mr. Jibran Khalil Malik, Financial Advisor (Works)/ Joint Secretary, Finance Division, Islamabad	Member	 03/09/19
6	Member Engineering, CDA, Islamabad	Member	
7	Mr. Shahbaz Mustafa, Deputy Secretary (Admin), M/o Housing & Works, Islamabad	Member	 03/09/19
8	Mr. Waseem Hayat Bajwa, Director General, FGEHF, Islamabad	Member	
9	Mr. Tariq Rashid, Chief Executive Officer, PHA Foundation, Islamabad	Member	
10	Mr. Shahid Farzand, Director General, Pak. PWD, Islamabad	Member	 03/09/19

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